

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)	
)	
Petition Pursuant to 47 U.S.C. §160)	WT Docket No. 01-184
For Forbearance From the)	
Commercial Mobile Radio Services)	
Number Portability Obligation)	

REPLY COMMENTS OF WORLDCOM, INC.

WorldCom, Inc. (“WorldCom”) hereby submits its Reply Comments in response to the Comments filed regarding the above-referenced *Petition* filed by Verizon Wireless. As the Comments filed in this proceeding demonstrate, wireless LNP is essential to promoting competition in the wireless industry and between the wireless and wireline industries. WorldCom urges the Commission to reject the wireless industry’s latest attempt to avoid this requirement. As the Commission has previously recognized and consistently affirmed, there are a multitude of benefits to providing consumers with the ability to change wireless providers without changing their phone numbers.

WorldCom fully agrees with the many commenters who emphasize that Verizon Wireless’s cost-benefit analysis is flawed because it does not quantify either the costs or the benefits of wireless LNP.¹ With respect to the costs of wireless LNP implementation, Verizon Wireless details the largely administrative changes that will need to be made to implement wireless LNP, but does not provide cost estimates for these changes. The benefits side of Verizon Wireless’s analysis is flawed to an even greater extent, as the

¹ Comments of the State Coordination Group at page 5; Comments of New Hampshire Public Utilities Commission at page 10; Comments of the California Public Utilities Commission at page 14.

benefits are not even identified, let alone quantified.² Without specific cost and benefit figures, Verizon Wireless's claim that the cost of complying with the LNP mandate would exceed the benefits of LNP cannot be proven. The cost estimates provided by other commenters, even if accurate, are misleading. For example, Sprint PCS estimates that it will have to invest \$26 million between now and November 24, 2002 to implement wireless LNP.³ Had Sprint PCS been diligently implementing wireless LNP, this cost would have been spread over the five and one-half year implementation period.

According to an estimate provided by ASCENT, wireless LNP implementation will cost Verizon Wireless only 10 cents per subscriber per month over a period of five years⁴, which is a minimal expense when compared with the benefits that customers will realize from being able to keep their wireless phone numbers when they change providers. LNP will allow customers to change service providers in order to take advantage of better rates or calling plans, without having to change phone numbers. This ability will only become more important as customers increasingly rely on wireless phones as their only, or second, phone line.

The Connecticut Department of Public Utility Control ("CTDPUC") observes in its comments that "wireless providers in Connecticut appear to be competing with incumbent and competitive LECs by offering comparable telephone service packages that are considerably less expensive than those of existing wireline service providers."⁵ The CTDPUC then asks why wireless customers should not be afforded the benefits of

² Comments of the State Coordination Group at page 6.

³ Comments of Sprint PCS at page 9.

⁴ Comments of ASCENT at page 21.

⁵ Comments of Connecticut Department of Public Utility Control at page 8.

number portability that are available to wireline customers. WorldCom agrees that this is a valid question. Goldman Sachs analyst Frank Governali recently observed that:

Operators believe migration from fixed line to wireless will increase, for local and long distance, as mobile tariffs continue to fall and service quality and coverage improve. It seems to be becoming increasingly clear that a demographic slice of the market (young professionals setting out on their own for the first time) are favoring wireless as their primary and perhaps only phone.⁶

In order for wireless service to become a truly viable competitor to wireline service, it is necessary to implement wireless LNP. Further, there is no principled reason to excuse wireless providers from implementing LNP while wireline providers must provide LNP. As various commenters pointed out, applying different LNP rules to wireless and wireline carriers would be a technology-specific, discriminatory policy inconsistent with the goals of the Telecommunications Act of 1996.

The Commission should dismiss the comments of companies such as ALLTEL, who assert that wireless LNP should not be required because the wireless industry is simply not ready to implement it and will not be ready by November 24, 2002.⁷ For example, ALLTEL states that the inter-carrier time limit for a wireline to wireless port is still unresolved and is unlikely to be resolved during the next year. WorldCom finds this unacceptable and unbelievable, given the fact that the industry has already had four and a half years to resolve issues such as this one, and still has one more year before the implementation deadline. Further, carrier arguments that they will not be ready to implement LNP on time because of other obligations, such as CALEA and E911, should be evaluated in the context of the timeframe of this proceeding. Had the carriers

⁶ “Key Take-Aways from Goldman Sachs Communacopia,” Frank Governali, October 8, 2001.

⁷ Comments of ALLTEL at page 5.

proceeded promptly with LNP implementation when the Commission first issued its mandate over four years ago, they would not be facing all of these obligations in a concentrated period of time. Today, the carriers argue that they are not ready to implement LNP because they need to focus on CALEA and E911; several years ago they argued that they were not ready because they needed to focus on network build-out. The Commission can be sure that next year the carriers will have another excuse for why they cannot focus on LNP, when the real reason is that the carriers simply do not want to comply with the LNP mandate.

Several wireless carriers, including ALLTEL and AT&T Wireless, asserted in their comments that premature implementation of wireless LNP will pose a risk to network reliability.⁸ Again, WorldCom reminds the Commission that CMRS carriers will have had five and one half years to address and resolve such concerns. It is not as if the wireless LNP requirement was just adopted last week. Furthermore, a number of foreign countries have successfully implemented LNP, with no reported network disruptions. WorldCom is confident that U.S. CMRS carriers can achieve the same successful results.

In its Comments, WorldCom urged the Commission to impose reporting requirements on the wireless carriers in order to ensure their adherence to the LNP implementation schedule. That the wireless industry now argues that it is unprepared to implement LNP in a timely manner further emphasizes the need for such reporting requirements. WorldCom notes that the Commission recently announced that it is implementing quarterly reporting requirements to monitor wireless carriers' compliance

⁸ Comments of ALLTEL at page 3; Comments of AT&T Wireless at page 3.

with their E911 deployment schedules.⁹ WorldCom commends this action and suggests that the Commission use it as a model for LNP reporting requirements.

The Commission's wireless LNP mandate is in the public interest and must be retained, with the existing deadline of November 24, 2002, in order to promote competition in the wireless industry and between the wireless and wireline industries. As the Commission has previously recognized and consistently affirmed, there are a multitude of benefits to providing customers with the ability to change wireless providers without changing their phone numbers. In recent years, the increased substitution of wireless for wireline service makes it even more important for customers to have the ability to change service providers while retaining their phone numbers.

⁹ See FCC News Release, "FCC Acts on Wireless Carrier and Public Safety Requests Regarding Enhanced Wireless 911 Services." October 5, 2001.

For the reasons stated above, WorldCom requests that the Commission expeditiously deny Verizon Wireless's Petition.

Respectfully submitted,

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